Monday, June 08, 2009 Contact Jim Hubbard (202) 225-2671

Metro has been forced to cut services and nearly 500 area jobs

(WASHINGTON) - Today Congressman Russ Carnahan (MO-3) introduced H.R. 2746 to allow public transit agencies to use some of their federal transit funding for day-to-day operating expenses that have been hamstringing transit agencies across the country.

Under current law, transit systems located in areas with more than 200,000 in population may not use their federal transit funds for operating assistance, putting a huge strain on their ability to maintain or expand service. This bill would remove this artificial barrier and allow transit systems of all sizes to use some of their transit funds to plug budget holes to keep service on the streets.

"Metro is not alone. Transit systems across the country are currently experiencing a financial crisis like never before and being forced to cut services and jobs," said Congressman Carnahan.

"Some workers have had to quit their jobs because they have no way of getting to work. It is critical that workers are able to get from home to their place of employment and on top of that for consumers to reach local businesses to keep our economy on the path toward recovery."

In March, Metro cut bus service by 44 percent, MetroLink service by 32 percent and Call-A-Ride by 15 percent to help offset a \$50 million budget deficit.

The Missouri House and Senate have passed a \$23 billion operating budget last month that included \$12 million from the American Recovery and Reinvestment Act to restore one-third of the Metro routes that had been cut ( click here to view the restored service). The funds were federal emergency stabilization funds and not directly allocated toward mass transit, but designed to help states alleviate state budget shortfalls in areas they see as fit.

Public transportation ridership is at historically high levels nationwide. Last year, Americans took more than 10.7 billion trips on transit, the highest level of ridership in over fifty years and a modern transit record. Yet, at the same time public transit agencies are working to serve their increasing ridership, they are facing shortfalls in state and local revenues and unpredictable fuel prices. Due to these factors, many transit agencies are being forced to cut service, raise fares, and lay off workers.

"Mass transit has a residual benefit to any community," said Carnahan. "Local transit

agencies need options as they experience record-high ridership and record-high costs. Transit not only connects neighborhoods; it also is part of any comprehensive plan to secure America's energy independence and reduce global warming."

If a state or local government increases its level of funding for transit federal funds could be used for day-to-day operating assistance. This could dramatically increase overall transit funding levels, which has been underfunded.

The bill also recognizes the benefits of transit with respect to the environment and its ability to reduce our dependence on foreign oil by allowing certain transit systems to use their federal transit funds for operating expenses if they can demonstrate energy savings or greenhouse gas reductions achieved through expanded service.

Congressman Carnahan serves on the U.S. House Transportation and Infrastructure Committee.

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